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RECORDATION NO. 18870-1 FILED

AUG 18 '04

12:51 PM

SURFACE TRANSPORTATION BOARD

OF COUNSEL
URBAN A. LESTER

August 17, 2004

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Re: PRR - ET 1994A

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are four (4) copies of a Memorandum of Sublease and Assignment, dated August 12, 2004, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the documents previously filed with the Board/Commission under Recordation Number 18870.

The names and addresses of the parties to the enclosed document are:

Sublessor:	Consolidated Rail Corporation 1000 Howard Boulevard Fourth Floor Mt. Laurel, NJ 08054
Sublessee/ Assignor:	PRR Newco, Inc. 110 Franklin Road, S.E. Roanoke, VA 24042
Trust/Assignee/ Sublessor:	Conrail Sublease Trust PRR - ET 1994A c/o Deutsche Bank Trust Company Delaware 1101 Centre Road, Suite 200 Wilmington, DE
Sublessee:	Norfolk Southern Railway Company 110 Franklin Road, S.E. Roanoke, VA 24042
[Senior Lessor:	Wilmington Trust Company]

Mr. Vernon A. Williams
August 17, 2004
Page Two

A description of the railroad equipment covered by the enclosed document is:

21 locomotives PRR 8419 – PRR 8439 (formerly within the series CR 6230 – CR 6264).

A short summary of the document to appear in the index follows:

Memorandum of Sublease and Assignment

Also enclosed is a check in the amount of \$30.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,



Robert W. Alvord

RWA/anr
Enclosures

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SURFACE TRANSPORTATION BOARD

MEMORANDUM OF SUBLEASE AND ASSIGNMENT PRR-ET1994A, by

CONSOLIDATED RAIL CORPORATION ("Conrail")
1000 Howard Boulevard, Fourth Floor
Mt. Laurel, New Jersey 08054

PRR NEWCO, INC. (the "Company")
110 Franklin Road, S.E.
Roanoke, Virginia 24042

CONRAIL SUBLEASE TRUST PRR-ET1994A (the "Trust")
In care of Deutsche Bank Trust Company Delaware
1101 Centre Road Suite 200
Wilmington, Delaware

and

NORFOLK SOUTHERN RAILWAY COMPANY (the "Railroad")
110 Franklin Road, S.E.
Roanoke, Virginia 24042

Conrail is leasing certain units of railroad equipment pursuant to the agreement identified in Schedule A hereto as the "Senior Lease" with the party named in Schedule A hereto as the "Senior Lessor," which agreement was recorded with the Interstate Commerce Commission and assigned the recordation number shown on said Schedule A.

The parties hereto wish to evidence for the public record the following transactions with respect to such units of the railroad equipment covered by the above-named agreements as are listed in Schedule A hereto:

1. The Sublease of Railroad Equipment PRR-ET1994A between Conrail, sublessor, and the Company, sublessee.
2. The assignment by the Company, assignor, of its subleasehold interest under sublease named in item 1 to the Trust, assignee, and the assumption of the obligations of the Company as sublessee under sublease named in item 1 by the Trust, pursuant to the Assignment and Assumption of Sublease and Agreement PRR-ET1994A among the Company, the Trust, and Conrail.
3. The Sublease of Railroad Equipment PRR-ET1994A between the Trust, sublessor, and the Railroad, sublessee.
4. The assignment by the Trust, assignor, of the sublease named in item 3 to Conrail, assignee, as security for the Trust's obligations under the sublease named in item 1, pursuant to the Assignment and Assumption of Sublease and Agreement PRR-ET1994A described in item 2.

5. The assignment by Conrail, assignor, of the sublease named in item 1, and the reassignment of the sublease named in item 3, to the Senior Lessor, assignee, as security for Conrail's obligations under the Senior Lease, pursuant to the Assignment of Sublease PRR-ET1994A by Conrail in favor of the Senior Lessor.

6. The assignment by the Railroad, assignor, of its subleasehold interest under the sublease named in item 3 to CSX Transportation, Inc., assignee, pursuant to the Cross-Assignment of Lease and Agreement among such parties and Conrail, as security for the Railroad's obligations for reimbursement thereunder.

IN WITNESS WHEREOF, the parties hereto have each caused this memorandum to be duly executed by their respective officers thereunto duly authorized:

CONSOLIDATED RAIL CORPORATION

by ... *Joseph R. Ryan* ...
PRR NEWCO, INC.

by ... *William J. R. Ryan* ...
CONRAIL SUBLEASE TRUST PRR-ET1994A

by Deutsche Bank Trust Company
Delaware, not in its individual
capacity but solely as trustee

by ... *Marilyn L. Gorman* ...
NORFOLK SOUTHERN RAILWAY COMPANY

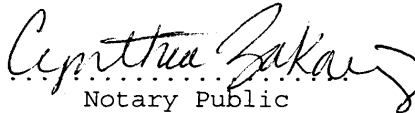
by ... *William J. R. Ryan* ...

STATE OF NEW YORK

COUNTY OF NEW YORK

)
) SS.:
)

On this 12th day of August, 2004, before me personally appeared Joseph Rogers, to me personally known, who, by me being duly sworn, says that he is CFO/Treasurer of CONSOLIDATED RAIL CORPORATION, and that the foregoing instrument was signed on behalf of said corporation by authority of its board of directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.


Notary Public

My commission expires

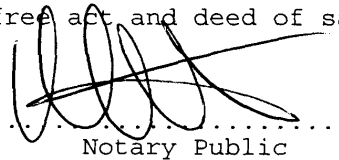
CYNTHIA ZAKARY
NOTARY PUBLIC, State of New York
No. 01ZA6064377
Qualified in New York County
Commission Expires Sept. 24, 2006

STATE OF NEW YORK

COUNTY OF NEW YORK

)
) SS.:
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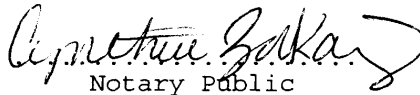
On this 12 day of August, 2004, before me personally appeared William J. Romig, to me personally known, who, by me being duly sworn, says that he is Vice President and Treasurer of PRR NEWCO, INC., and that the foregoing instrument was signed on behalf of said corporation by authority of its board of directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.


Notary Public

My commission expires

STATE OF NEW YORK)
) SS.:
COUNTY OF NEW YORK)

On this 12th day of August, 2004, before me personally appeared Marilyn McGowan to me personally known, who, by me being duly sworn, says that she is VP of DEUTSCHE BANK TRUST COMPANY DELAWARE, and that the foregoing instrument was signed on behalf of said company by authority of its board of directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said company.

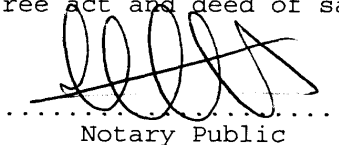

Notary Public

My commission expires

CYNTHIA ZAKARY
NOTARY PUBLIC, State of New York
No. 01ZA6064377
Qualified in New York County
Commission Expires Sept. 24, 2005

STATE OF NEW YORK)
) SS.:
COUNTY OF NEW YORK)

On this 12th day of August, 2004, before me personally appeared William J. Romo, Vice President and Treasurer, to me personally known, who, by me being duly sworn, says that he is of NORFOLK SOUTHERN RAILWAY COMPANY, and that the foregoing instrument was signed on behalf of said corporation by authority of its board of directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.


.....
Notary Public

My commission expires

SCHEDULE A
SENIOR TRANSACTION ET1994A

Senior Lease:

Equipment Trust Agreement dated as of June 30, 1994, between
Wilmington Trust Company, trustee, and Consolidated Rail
Corporation, as amended to the date hereof.

Recorded with the Interstate Commerce Commission on July 1, 1994,
and assigned recordation number 18870.

Senior Lessor:

Wilmington Trust Company, as trustee

Schedule "B" Equipment

ETC694 PRR

Count	Description	Original		Current	
		Unit Initial	Unit Number	Unit Initial	Unit Number
1	C40-8W	CR	6230	PRR	8419
2	C40-8W	CR	6231	PRR	8420
3	C40-8W	CR	6234	PRR	8421
4	C40-8W	CR	6235	PRR	8422
5	C40-8W	CR	6236	PRR	8423
6	C40-8W	CR	6237	PRR	8424
7	C40-8W	CR	6240	PRR	8425
8	C40-8W	CR	6241	PRR	8426
9	C40-8W	CR	6243	PRR	8427
10	C40-8W	CR	6245	PRR	8428
11	C40-8W	CR	6248	PRR	8429
12	C40-8W	CR	6250	PRR	8430
13	C40-8W	CR	6251	PRR	8431
14	C40-8W	CR	6252	PRR	8432
15	C40-8W	CR	6254	PRR	8433
16	C40-8W	CR	6256	PRR	8434
17	C40-8W	CR	6257	PRR	8435
18	C40-8W	CR	6259	PRR	8436
19	C40-8W	CR	6261	PRR	8437
20	C40-8W	CR	6262	PRR	8438
21	C40-8W	CR	6264	PRR	8439
21 Total C40-8W locomotives					